



Morning Alert - Thursday, April 28, 2017

HEADLINES

Morning News

Most networks and national dailies led with reports on the Japan-Russia summit. Fuji TV gave top play to a report that former actress Saya Takagi was sentenced to one year in prison, suspended for three years, for possession of marijuana.

Other headlines in national dailies included a plan by the Japan Sport Council to introduce a whistleblower system to strengthen anti-doping policies (Mainichi) and a plan by the Finance Ministry to conclude bilateral agreements on currency swaps with ASEAN nations (Nikkei).

INTERNATIONAL

Abe, Putin meet in Moscow to discuss Northern Territories, North Korea

All papers ran prominent front- and inside-page reports on Prime Minister Abe's talks with Russian President Putin on Thursday in Moscow, during which the two leaders discussed issues related to the Northern Territories and North Korea. They held a joint press conference following their meeting. The two leaders agreed to hold additional bilateral talks on the sidelines of the G20 summit to be held in Germany in July and the Eastern Economic Forum to be convened in Vladivostok in September.

Joint economic activities

The Japanese and Russian leaders agreed that Japan will send a group of experts from the public and private sectors to the Northern Territories next month or later as a step toward implementing joint economic activities on the islands. They confirmed that they will move forward with drawing up a roadmap for Japan's proposal of an eight-point economic cooperation package for Russia that includes cooperation in such sectors as medicine and urban development. Putin told Abe that Moscow is prepared to cooperate with Japan in its efforts to decommission the nuclear reactors at the Fukushima Daiichi Nuclear Power Plant.

Access to Northern Territories

Abe and Putin also discussed measures to streamline procedures for visa-free travel to the Northern Territories by former Japanese residents for the purpose of visiting their ancestors' graves on the islands. The two leaders agreed that the former islanders will be allowed to visit the islands by air from June to make it possible for them to visit the islets more frequently and quickly, as they are currently only able to travel to the islands by chartered ships. They also agreed to open in August an additional checkpoint for the former Japanese islanders' entry to the islands. Mainichi wrote that although Abe told reporters he is aiming to conclude a peace treaty with Putin by increasing trust between the Japanese and Russian people, Putin did not refer to a peace treaty during the press conference. The paper speculated that the differences between Washington and Moscow over North Korea and Syria are casting a shadow over Japan's relations with Russia. Yomiuri expressed a similar view. Sankei wrote that Putin did not soften his stance on the Northern Territories.

North Korea

Prime Minister Abe and President Putin also agreed to urge North Korea to exercise restraint and comply with UN Security Council resolutions. Putin said at the post-summit joint press conference that it is necessary to resume the Six-Party Talks as soon as possible. However, Asahi wrote that the differences between Japan and Russia over how to respond to North Korea were made clear, as Putin expressed caution about moves by the U.S. by saying that Moscow will call on all interested parties in the region to refrain from using aggressive rhetoric and hold calm and constructive dialogue.

Sankei wrote that although Abe tried to serve as a bridge between President Trump and President Putin in view of their conflict over Syria, it appears difficult to mediate between the two leaders because the gap between them remains wide.

Japan, China to hold financial dialogue in May

Asahi and Yomiuri wrote that arrangements are being made for Japan and China to resume their financial dialogue for the first time in two years. The talks will be held on the sidelines of an annual general assembly of the Asian Development Bank to be held in Yokohama on May 4-7. Finance Minister Aso and his Chinese counterpart Xiao Jie will co-chair the talks.

SECURITY

U.S. eyes moving Okinawa Marines to Guam from 2024

Thursday evening's Nikkei and Tokyo Shimbun ran a Kyodo story about remarks made by PACOM Commander Harris at a congressional hearing on Wednesday, during which he expressed the view that the transfer of the bulk of 4,000 of the 19,000 Marines stationed in Okinawa to Guam will take place during the period from 2024 to 2028. The U.S. and Japan agreed in 2013 to start moving

Marines from Okinawa to Guam in the first half of the 2020s, and ongoing preparations for the transfer, including the construction of a firing range and other facilities at a U.S. base there, are being partially funded by Japan. Admiral Harris said last year that the Futenma base will be relocated to Henoko probably in 2025 and that Okinawa Marines will be transferred to Guam after the completion of Futenma relocation. The PACOM commander also stated at the hearing on Wednesday that the U.S. military hopes to reduce the number of Marines in Okinawa ultimately to around 10,000 or 11,000. The papers interpreted this remark as an intention to reduce the base-hosting burden on Okinawa.

GOJ announces plan for developing returned land in Okinawa

Nikkei wrote that the Cabinet Office announced on Thursday a plan to establish an international medical center on the land used for the U.S. military's Nishi Futenma housing area that was returned to Japan in March 2015. The medical department of the University of the Ryukyus and its hospital will be relocated there, and the government hopes to make the area an international center for medical research with the cooperation of the Okinawa Institute of Science and Technology and other international institutions.

ECONOMY

Finance Minister Aso says TPP agreement should go into force even with 11 members

Nikkei front-paged its interview with Finance Minister Aso on Thursday, during which he commented on the idea of effectuating the TPP agreement without U.S. participation by saying that it should go into force because the TPP member states spent three years crafting it. Aso also stated that there will be no renegotiation of the terms of the accord, including tariff rates. Asked about the possibility of the U.S. returning to the framework of the TPP, Aso stated that it is a realistic possibility. He said: "Japan will not make any concessions even if it has to hold bilateral negotiations with the U.S. The U.S. probably assumes that a free trade agreement would be more beneficial than the TPP. But it may realize that the TPP would be better after it understands that an FTA would have tougher terms." Concerning the U.S.-Japan Economic Dialogue, the finance minister stated that Japan and the U.S. should develop trade and investment rules that can be applied effectively to the rest of Asia.



